UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re: : CHAPTER 11

:

DOMUS BWW FUNDING, LLC, : Bky. No. 22-11162 ELF

:

Debtor

1801 ADMIN, LLC : JOINTLY ADMINISTERED

:

Debtor :

:

<u>ORDER</u>

AND NOW, upon consideration of:

- the Motion for Entry of an Order Authorizing Bankruptcy Rule 2004 Examinations of the Debtors and Certain Non-Debtor Parties ("the 2004 Motion") (Doc. # 241), filed by 47 East 34th Street (NY), L.P. ("47 East"); and
- the Motion for Entry of an Order (i) Clarifying the Court Order Modifying Automatic Stay dated July 15, 2022 and (ii) Granting Related Relief filed by Debtor Domus BWW Funding, LLC (the §362 Motion) (Doc. # 259);

AND, upon consideration of the responses thereto;

AND, after a hearing;

AND, for the reasons stated in court;

It is hereby **ORDERED** that:

1. Both the 2004 Motion and the §362 Motion are **GRANTED IN PART AND DENIED IN**

PART as set forth below.

The 2004 Motion

- 2. 47 East is authorized to take the examinations under Fed. R. Bankr. P. 2004 ("the Exam") as requested in the 2004 Motion, but subject to the limitations set forth below.
- 3. The request for production of documents in connection the Exam is limited to production of all contractual indemnity agreements in existence as of the commencement of the case or in existence on or after May 3, 2018 between the Debtors and (i) the non-debtor parties also being examined requested in the 2004 Motion and (ii) any "affiliates" of the Debtors as that term is defined in 11 U.S.C. §101(2).
- 4. The oral examination of Paul Halpern is limited to 2.5 hours and shall be conducted either in this district or by teleconference as the parties may agree.
- 5. The subject matter of the oral examination is limited to the subject matter described in Paragraph 3 above.
- 6. The responses to the document requests in 47 East's subpoenas served in connection with the 2004 Motion shall be made **on or before March 16, 2023** and the oral examination shall take place **on or before March 23, 2023**.
- 7. In the event that the proof of claim of 47 East filed in Bky. No. 22-11163 is **STRICKEN** pursuant to Paragraph 11 below, the 2004 Motion is **DENIED** as to Debtor 1801 Admin, LLC ("1801Admin") and Paragraphs 2-6 above shall not apply with respect to 1801 Admin.

The §362 Motion

- 8. The §362 Motion is **DENIED** insofar as the Debtors requested that the July 15, 2022 order (Doc. # 135) be amended to include a factual determination that 1801 Admin and Versa Capital Management LLC ("Versa") are the same entity, that issue and any related issues involving application of judicial estoppel to be determined by the appellate court in the State of New York.
- 9. The §362 Motion is **GRANTED** insofar as the Debtors requested a clarification of Paragraph 3 of the July 15, 2022 Order.
- 10. Paragraph 3(b) of the July 15, 2022 Order is **CLARIFIED** as follows:

the modification of the automatic stay includes authorization for the Debtors to continue their appeal of the trial court order denying their motion for summary judgment on the fraudulent transfer claim brought against them in the trial court in the State of New York.

- 11. The Debtors' request for further equitable relief, (see Debtor's Motion ¶ 64) is **GRANTED** as follows:
 - a. **On or before February 23, 2023**, 47 East may file a notice in this court, advising the court and interested parties that it has withdrawn its request that 1801 Admin's appellate brief in New York be stricken because Versa and 1801 Admin are not the same entity and, therefore, 1801 Admin lacks standing to take the appeal.
 - b. If the notice described in Paragraph 11.a. above is not timely filed, by separate order, this court will **STRIKE AND DISALLOW** the proof of claim 47 East has filed in the 1801 bankruptcy case based upon the application of judicial estoppel.

Date: February 17, 2023

ERIC L. FRANK U.S. BANKRUPTCY JUDGE